

MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY

OPEN MEETING MINUTES

November 12, 2020

The regular meeting of the Maryland Small Business Development Financing Authority convened at 1:00 p.m. via teleconference only at 470-869-2200/meeting ID 428-245-6027 due to the COVID-19 pandemic.

The following were in attendance at this meeting:

Authority Members	MMG Staff
Les Hall	Randy Croxton
Clem Kaikis	Anthony Williams
Laura Pasternak	Mike Howard
Kenny Oreagba	Stanley Tucker
Chuck Martin	Tim Smoot
Maura Sierocinski	Mark Harrison
Gina Ramsey	Robin Harris
Sharon Pinder	

Attorney General's Office
Barbara Kountz, Deputy Counsel

AGENDA

MINUTES

October 22, 2020

MODIFICATION

Midas Rx Pharmacy, LLC/Fokos Group, LLC
Fokos Group, LLC dba Midas Rx Pharmacy (COVID-19)

NEW REQUEST

Adventures by Dawn, LLC
Mr. Know It All, LLC
Shea Radiance, LLC
Salus Capital, Inc. dba Eagle Physical Therapy & Rehabilitation (COVID-19)
Shay Ventures, Inc. dba Cloud 9 Clothing (COVID-19)
Breaking Bread, LLC (COVID-19) – **Withdrawn from the agenda.**
Thomas Llewellyn, D.D.S. & Associates, P.A. (COVID-19)
Your Journey Family Services, LLC (COVID-19)

The closed session of the October 22, 2020, meeting was summarized. The Authority Board meeting was attended by Les Hall, Clem Kaikis, Laura Pasternak, Chuck Martin, and Kenny Oreagba. The meeting was closed to comply with requirements of the Maryland Public Information Act so that there would not be disclosure of confidential, commercial, and financial information associated with the applicants. The meeting was closed to discuss the new requests of Adventures by Dawn, LLC and Iron Flame Technologies, Inc.; and the modification request of Nepenthe Homebrew, LLC. The modification request of Nepenthe Homebrew, LLC was approved. The new request of Adventures by Dawn, LLC was deferred. The request of Iron Flame Technologies, Inc. failed due to the lack of a second to a motion to approve.

MINUTES

October 22, 2020

Action Taken: Upon motion duly made and seconded, the Authority unanimously approved the minutes with an amendment.

REPORT

Presenter: Les Hall and Randy Croxton

Comments: Les Hall.
The first round of the MSBDFA COVID-19 Emergency Loan Relief Fund applicants were requested to submit interim financial statements as of May 31, 2020. MMG requested the Authority to provide guidance on the period of the interim statements these applicants should submit to support their request for funding under the second round. Ideally it is perceived the period should be September 30, 2020.

Randy Croxton.

There are approximately 120 applicants from the first round some of which MMG has received interim financial statements as of May 31, 2020 as requested. Some of the applicants have not submitted interim statements at all. The interim statements are just one of many items requested, but not required to be submitted as part of the application. MMG is requesting guidance as to whether they need to request more recent statements, i.e., as of July 31, 2020 or the most recent statement available.

Discussion: The following was discussed:
1. Type of statements being requested; company or CPA prepared

2. The applicants' ability to produce interim statements during the pandemic
3. Business status of the applicants; are the applicants still in business
4. Number of businesses which have already submitted statements as of May 31, 2020 and which have not
5. Application criteria/guidelines for Fund round #1 versus Fund round#2
6. Conceivability of receiving a more recent statement between approval and closing
7. Aggregate of businesses in each category: financial statements received and financial statements still pending
8. Deadline for submission of financing requests
9. Possible changes in policy regarding application criteria
10. Other evidence provided by the applicants to show negative impact as a result of the pandemic

Action Taken: MMG should request the most current interim financial statements available.

REPORT

Presenter: Les Hall


Comments: The last group of financing requests from the COVID-19 Fund Round #1 received the balance of the uncommitted funds, but not the full amount they requested. MMG is seeking to provide these applicants with the balance of their requests with the funds from the COVID-19 Fund Round #2. Although, the fund minimum financing request is \$25,000, these financing requests may be less than the minimum as an exception.

Discussion: There was limited discussion regarding which applicants from the first round will receive additional funds.

Action Taken: No action was required.

The Open Meeting then closed at 2:00 p.m. upon motion made and seconded, and approved by all voting members, the meeting was closed pursuant to General Provisions Article, Section 3-305(b) (13), "to comply with a specific... statutory... requirement that prevents public disclosures about a particular proceeding or matter", that is, the Maryland Public Information Act prohibits disclosure of trade secrets, confidential commercial and confidential financial information. Chairman Les Hall signed the Presiding Officer's Written Statement for Closing a Meeting under the Open Meetings Act, which is attached to these minutes as an exhibit.

APPROVED:


Celester A. Hall
Chairman

DATE:

12-15-20

MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY

**PRESIDING OFFICER'S WRITTEN STATEMENT FOR CLOSING A MEETING
UNDER THE OPEN MEETINGS ACT
(General Provisions Article § 3-305)**

1. Recorded vote to close the meeting:

Date: November 12, 2020

Time: 2:00 pm – 3:20 pm

Location: Held by conference call only due to COVID 19 pandemic at
470.869.2200/640 305 7494

Motion to close meeting made by: Clemis Kaikis; Seconded by Sharon Pinder

Vote to Close Session:

	AYE	NAY	ABSTAIN	ABSENT
Celester Hall, Chair, Designee Secretary of Commerce	[x]	[]	[]	[]
Clemis Kaikis, designee of Comptroller	[x]	[]	[]	[]
Charles Martin	[x]	[]	[]	[]
Kehinde Oreagba	[x]	[]	[]	[]
Laura Pasternak	[x]	[]	[]	[]
Sharon Pinder	[x]	[]	[]	[]
Gina Ramsey	[x]	[]	[]	[]
Mara Sierocinski	[x]	[]	[]	[]

2. Citation of statutory authority to close session (check all that apply): This meeting is being closed under General Provisions Article § 3-305(b), only:

____ (1) To discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction; any other personnel matter that affects one or more specific individuals;

___ (2) To protect the privacy or reputation of individuals concerning a matter not related to public business;

___ (3) To consider the acquisition of real property for a public purpose and matters directly related thereto;

___ (4) To consider a matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State;

___ (5) To consider the investment of public funds;

___ (6) To consider the marketing of public securities;

X (7) To consult with counsel to obtain legal advice on a legal matter;

___ (8) To consult with staff, consultants, or other individuals about pending or potential litigation;

___ (9) To conduct collective bargaining negotiations or consider matters that relate to the negotiations;

___ (10) To discuss public security, if the public body determines that public discussion would constitute a risk to the public or to public security, including: (i) the deployment of fire and police services and staff; and (ii) the development and implementation of emergency plans;

___ (11) To prepare, administer, or grade a scholastic, licensing, or qualifying examination;

___ (12) To conduct or discuss an investigative proceeding on actual or possible criminal conduct;

X (13) To comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter;

___ (14) Before a contract is awarded or bids are opened, to discuss a matter directly related to a negotiating strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

3. Disclosure of the topics to be discussed, for each citation checked above:

§3-305(b)(13) topics: Discussion and evaluation of the applications received from potential borrowers for financial assistance under programs

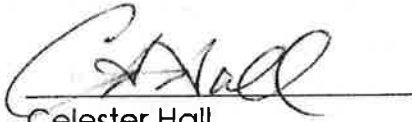
§3-305(b)(7) topics: Legal advice from counsel to the Authority with respect to the applications.

4. For each topic listed in #2, disclosure of the reason for discussing it in closed session rather than in open session:

§3-305(b)(13): Financial information of private individuals is protected from disclosure under the Maryland Public Information Act (§4-336) and confidential commercial and financial information is protected from disclosure under the Maryland Public Information Act (§4-335).

§3-305(b)(7): Protection of the attorney-client privilege.

This statement is made by Celester Hall, Chair of the Maryland Small Business Development Financing Authority, Presiding Officer.


Celester Hall
Chair